



Division of Retirement
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Ron DeSantis, Governor
Pedro Allende, Secretary

Division of Retirement Information Release

Release # 2022-225

Date: November 2, 2022

To: All Non-State Florida Retirement System (FRS) Agency Heads and Retirement Coordinators

From: Andrea Simpson

Subject: Retiree Health Insurance Subsidy Benefit Tax Exclusion

The Internal Revenue Service (IRS) allows qualified Florida Retirement System (FRS) retirees or their surviving beneficiaries receiving the Health Insurance Subsidy (HIS) benefit to receive an income tax exclusion under certain circumstances. The Department of Management Services, Division of Retirement uses health insurance premium payment information, certified by the former FRS employer, to calculate the tax exclusion amount. A description of the annual federal tax exclusion, including certification instructions, is covered in this information release and is available in the [Employer Handbook](#) in Chapter 12, pages 12-9 through 12-12. The Employer Handbook is located on the [Employers'](#) page of the FRS website at frs.fl.gov.

The deadline to submit health insurance payment information to the division is Friday, December 2, 2022. If your agency submits certifications to the division after the filing deadline and the IRS Form 1099-R needs corrections, the IRS may charge a fee for each form corrected. Any fees associated with issuing a corrected Form 1099-R will be billed to your agency. Please provide a copy of this release to all representatives responsible for certifying the health insurance premiums of retirees.

HIS Tax Exclusion Requirements

To qualify for the 2022 tax exclusion, health insurance premium payments for the FRS retirees of your agency (or their surviving beneficiaries) must be paid using the methods listed below:

- Health insurance premiums may be deducted directly from the monthly FRS benefit of the payee for the 2022 calendar year.

- Health insurance premiums may be paid directly to an FRS employer during the 2022 calendar year after which you report the total qualified health premiums to the division. This method requires action from your agency.

Qualifying health insurance products that can be certified under the HIS tax exclusion include health, vision, dental, cancer, accident, disability or tax-qualified long-term care insurance. The premium amount certified for each payee must represent the grand total of all qualified health insurance products paid to your agency from Jan. 2022 through Dec. 2022.

Report only the health insurance premiums collected directly from the payee. Do not report premiums the division payroll deducted from FRS benefits. The division will include amounts that were deducted from the FRS benefits when calculating the HIS tax exclusion.

Life, automobile, and legal insurance are examples of types of insurance or other products that do not qualify for the HIS tax exclusion and should not be included in your total for each retiree.

Insurance Premium Certification Instructions

Agency personnel responsible for providing this information to the Division of Retirement must log in to the secure FRS website to submit certification information. These individuals are generally granted the HIS role in their FRS Online profile.

Instructions for Submitting Certification Information

1. Visit FRS Online at frs.fl.gov.
2. Enter your username and password. Login difficulties should be referred to the Retirement Coordinator of your agency. If your Retirement Coordinator needs assistance, call the division toll free at 877-377-1266 or 850-907-6540, menu option two.
3. Click on “HIS Exclusion” in the left-hand navigation menu to select an online reporting option. A link to the FRS Online manual is also provided in the left-hand navigation menu. Proceed in completing one of the following steps:
 - Select “Submit HIS Exclusion Premiums” in the left-hand navigation menu to upload a properly named, formatted file. The HIS exclusion file layout document is attached. Specific file format instructions are covered in the [Employer Handbook](#) in Chapter 12, pages 12-11 through 12-12.
 - Select “Enter HIS Exclusion Premiums” in the left-hand navigation menu to manually key in individual certification information.

The Deadline for Submitting Your Health Insurance Certification Information is December 2, 2022.

For any questions regarding the annual certification, requests for assistance formatting files, or if your agency needs to use another file transfer method such as secure file transfer protocol (SFTP), call toll free at 844-377-1888 or 850-907-6500 or email retirement@dms.fl.gov.

Thank you for your cooperation and efforts in supporting the retirees of your agency and their surviving beneficiaries.

HIS Exclusion File Layout

Detail Record Layout*

Item No.	Position (From-To)	Field Size	Data Type	Field Description
1	01-05	05	Alpha	Module Code. Should contain "RP610"
2	06-06	01	Alpha	Filler space
3	07-11	05	Numeric	Agency number
4	12-12	01	Alpha	Filler space
5	13-21	09	Alpha	Social Security Number of the payee
6	22-22	01	Alpha	Filler space
7	23-29	07	Numeric	Total health insurance amount reported for the payee [5+2]
8	30-30	01	Alpha	Filler space
9	31-55	25	Alpha	Payee name – Last name comma space first name

*All the fields are required fields and should be filled.

Trailer Record Layout*

Item No.	Position (From-To)	Field Size	Data Type	Field Description
1	01-05	05	Alpha	Trailer Code. Should contain "*****"
2	06-06	01	Alpha	Filler space
3	07-11	05	Numeric	Reporting Agency Number
4	12-12	01	Alpha	Filler space
5	13-16	04	Numeric	Year for which health insurance is reported (example: 2022)
6	17-17	01	Alpha	Filler space
7	18-23	06	Numeric	Total number of records in the input file
8	24-24	01	Alpha	Filler space
9	25-35	11	Numeric	Grand total of the health insurance amount reported [9+2]

*All the fields are required fields and should be filled.

Dump of a sample file for reporting agency 03100

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RP610 03100 000000000 0025033 SMITH, ROBERT
RP610 03100 111111111 0185023 JONES, GEORGE
RP610 03100 222222222 0204089 ABBOTT, LESTER
RP610 03100 333333333 0030050 WILLIAMS, CAROL
RP610 03100 444444444 0025000 WALLS, LISA
***** 03100 2022 000005 00000469195

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Detail Record Layout

Trailer Record Layout